

# PUBLIC FUNDS FOR YOUR PRIVATE R&D PROJECTS



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**Innovation is often limited only by an organization's financial capacity. However, there are several tax measures and programs available to help agricultural sector organizations facilitate implementation of research and development projects. IRDA has the expertise to help producers and agribusinesses leverage financial incentives targeted to help bring concepts to life.**

IRDA researchers have access to dozens of grant programs covering a broad spectrum of innovation processes, ranging from design to product testing. The seven initiatives that are particularly targeted the sector's needs can often enable our partners to triple, or quadruple, the effectiveness and scope of their projects. In most cases the investments in those projects are in the form of cash and/or in kind (labor, equipment loans, infrastructure, land, etc.).

Key agencies that support these initiatives include Agriculture and Agri-Food Canada, the Ministère de l'Agriculture, des Pêcheries et de l'Alimentation du Québec, the Ministère de l'Économie et de l'Innovation, various research consortia, and the National Research Council of Canada.

## ONE EXAMPLE IS WORTH A THOUSAND WORDS

Following is an illustration of a typical project worth \$100,000 that is subsidized by an Innovation program offered by the Ministère de l'Économie de the l'Innovation :

<b>VALUE OF THE PROJECT</b>	<b>\$100,000</b>
<b>Ministry   Subsidy</b>	<b>\$50,000</b>
<b>Business   Employee salaries</b>	<b>\$15,000</b>
<b>  Equipment supplied</b>	<b>\$10,000</b>
<b>  Investment in cash</b>	<b>\$25,000</b>
<b>Federal SR&amp;ED credits for SMEs *</b>	<b>\$17,500</b>
<b>Provincial SR&amp;ED credits for SMEs *</b>	<b>\$6,800</b>
<b>Provincial tax on revenue *</b>	<b>\$3,150</b>
<b>INVESTMENT IN CASH FOR AN SME *</b>	<b>\$3,850</b>
<b>CONTRIBUTION IN KIND FOR AN SME *</b>	<b>\$25,000</b>

\* Simulation for an SME taxed at 18% that had profits of less than \$500,000 the previous year. The modalities may vary based on the type of expenses assumed by the partner.

Businesses can sometimes take advantage of more than one financial program. In such cases an initial investment can leverage a large-scale project that has the potential to generate significant spin-offs.

## CALLING US GIVES YOU ACCESS TO A RANGE OF POSSIBILITIES

Some programs require a private company to apply for the project. In other cases, only organizations like IRDA are eligible. In other words partnering with a recognized research center multiplies your options to receive financial support for your R&D projects. That means you can simultaneously benefit from the outside expertise while improving the research and development tax credits available to your business.

IRDA can also carry out mandates quickly in cases where research needs are urgent. Such mandates, which are typically smaller in scope, are often the starting point for larger ambitions that could one day change the portrait of tomorrow's agriculture. Call us. A simple phone call could generate surprising results and be the starting point for a great collaboration.



## TO LEARN MORE:

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